

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING )  
OF ELAM UTILITY COMPANY ) CASE NO. 9845-G

ORDER

On July 30, 1987, the Commission issued its Order in Case No. 9845 approving certain adjustments in rates for Elam Utility Company ("Elam") and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On September 1, 2000, Elam Utility Company ("Elam") filed its GCA to become effective from October 1, 2000 to December 31, 2000.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. In its notice of September 1, 2000, Elam proposed revised rates designed to pass on to its customers its expected wholesale increase in gas costs. Elam's proposed EGC is \$5.4943 per Mcf, \$2.0185 per Mcf more than the prior EGC of \$3.4758.<sup>1</sup>
2. Elam's notice set out no refund adjustment.
3. Elam's notice set out a current quarter actual adjustment ("AA") of (12.46) cents per Mcf to return \$13,042.74 of over-recovered gas cost from March 1993 through June 30, 2000. Due to the magnitude of the refund and the fact that Elam has not filed

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<sup>1</sup> Case No. 9845-F, Gas Cost Adjustment filing of Elam Utility Company, Order dated February 16, 1993.

a GCA since February 1993, the AA is spread over 24 months rather than the customary 12 months. The AA represents a decrease of 34.5 cents per Mcf from the total AA previously in effect.

4. Elam's notice set out no current quarter balance adjustment ("BA").

5. These adjustments produce a gas cost recovery rate of \$5.3697 per Mcf, an increase of \$1.6735 per Mcf from the prior rate of \$3.6962 per Mcf.

6. The rate adjustment in the Appendix to this Order is fair, just and reasonable, in the public interest, and should be approved for service rendered on and after October 1, 2000.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for service rendered on and after October 1, 2000.

2. Within 30 days of the date of this Order, Elam shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 13<sup>th</sup> day of September, 2000.

By the Commission

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 9845-G DATED SEPTEMBER 13, 2000

The following rates and charges are prescribed for the customers served by Elam Utility Company. All other rates and charges not specifically mentioned herein shall remain in effect under authority of this Commission prior to the effective date of this Order.

RATES:

Residential

	<u>Base Rate</u>	<u>Gas Cost Adjustment</u>	<u>Total</u>
Customer Charge			\$4.10
First 11 Mcf	\$3.5673	\$5.3697	\$8.9370
Over 11 Mcf	4.5673	5.3697	9.9370

Industrial

Customer Charge			\$5.15
All Mcf	\$3.5673	\$5.3697	\$8.9370